

PRESIDENT'S BUDGET PUTS INFRASTRUCTURE AND AMERICA AT GREAT RISK

(Mr. FLEMING asked and was given permission to address the House for 1 minute.)

Mr. FLEMING. Mr. Speaker, I received a letter from the President of the Louisiana Oil and Gas Association expressing grave concern over the administration's budget proposal we were sent last week. Our Nation's oil and gas industry is not made up of the five or so Big Oil companies; instead, it is several thousand independent oil and natural gas producers. It is these companies that drill and produce the vast majority of oil and natural gas produced here in the United States.

The administration's budget proposals will strip the economic incentives that provide the investment capital that is needed to explore and produce oil and gas for our country. Without these incentives, exploration and production of oil and natural gas will drastically decline, trillions of dollars will be lost, tens of thousands of jobs will be lost, and our Nation's energy security will be severely threatened.

In my home State of Louisiana, 25 percent of the Nation's energy is produced. We are the heartbeat of our Nation's energy infrastructure. Simply put, the administration's budget proposals will put that infrastructure and our country at great risk and drive up home utilities and gas at the pump.

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VOTE "YES" ON HELPING FAMILIES SAVE THEIR HOMES ACT

(Mrs. MALONEY asked and was given permission to address the House for 1 minute.)

Mrs. MALONEY. Mr. Speaker, there is unusually broad agreement on the fact that to stop the downward spiral of this economy, we have to act on several fronts at once in a forceful and coordinated manner.

We have addressed the need for job creation and tax relief with the economic recovery bill. We are addressing the banking crisis and credit freeze with the second round of TARP funds and the launching of the TALF program. Now we have the chance to take action on a critically important front, stabilizing housing prices. All across the country, neighborhoods are struggling as each foreclosed home reduces the value of nearby properties.

The Helping Families Save Their Homes Act will give more tools to homeowners to stay in their homes and allow judicial modifications of home mortgages. It helps families facing foreclosure stay in their homes, thus stabilizing lives, home prices, neighborhoods and restoring confidence in the economy.

I am confident that a "yes" vote on this bill is in the best interests of our American economy.

BUSINESS AS USUAL

(Mr. FLAKE asked and was given permission to address the House for 1 minute.)

Mr. FLAKE. Mr. Speaker, later this week President Obama is expected to sign the omnibus spending bill into law. That bill contains nearly 9,000 earmarks. Now, this is unfortunate. It sends a signal that we have ushered in a new era of absolutely the same, business as usual.

I would encourage the President, if he is going to sign the omnibus bill, to at least announce a change moving forward. He could announce, for example, that he will not sign legislation in the future that contains congressionally directed no-bid contracts to private companies.

He should encourage the Congress to end the appearance of pay-to-play when no-bid contracts are given to those who give us campaign contributions. Giving no-bid contracts to our campaign donors should be beneath the dignity of this House. Now our leadership, both on the Republican and the Democratic side, has not recognized this yet, but I hope that the President does.

HELP FOR HOMEOWNERS

(Mr. CONNOLLY of Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONNOLLY. Mr. Speaker, this week the House is scheduled to take up H.R. 1106, the Helping Families Save Their Homes Act of 2009. While much of the controversy over this bill is focused on the title I provisions, the provisions in title II will provide safe harbor for lenders willing to modify mortgages and improve the HOPE for Homeowners program.

Allow me to dispel a few of the myths surrounding this legislation.

Myth: The bill only benefits a small number of homeowners.

Fact: This bill will actually help all homeowners by protecting their neighborhoods from the negative effects of foreclosure. Every foreclosure brings down the value of nearby homes, further eroding the equity of homeowners who are up to date on their mortgages. Millions of middle class families are just one sickness or one layoff away from a possible foreclosure.

Myth: The bill rewards bad behavior.

Fact: This bill requires homeowners to negotiate with their lenders in good faith before they can even consider applying for judicial modification of their home loan through bankruptcy.

Myth: The bill is a dramatic change in the Bankruptcy Code.

Fact: This bill equalizes the rules by treating residential bankruptcies the same as corporate, farm and vacation home bankruptcies.

Mr. Speaker, I urge my colleagues to support this legislation.

I'd like to remind my colleagues that while much of the controversy over this bill has fo-

cused on the Title I provisions, the provisions in Title II will help thousands of homeowners and enjoy broad support. Providing safe harbor for lenders willing to modify mortgages and improving the HOPE for Homeowners program are much-needed reforms that will help stem the tide of foreclosures and protect our neighborhoods. I would like to take a few moments to dispel some of the myths surrounding the legislation that could also be referred to as the Neighborhood Protection Act.

Myth: This bill only benefits a small number of low income homeowners or homeowners who bought more house than they could afford.

Fact: H.R. 1106 will actually help all homeowners by protecting their neighborhoods from the negative effects of foreclosure. Every foreclosure in a neighborhood brings down the value of nearby homes, further eroding the equity of homeowners who are up to date on their mortgages. Furthermore, the foreclosure crisis has spread beyond victims of the subprime crisis or individuals who purchased more home than they could afford. As President Obama noted in his address to this body, millions of middle-class families are just one sickness or one layoff away from possible foreclosure. Without the ability to sell or refinance a home with a current value lower than the mortgage value, these families are out of options.

Myth: The bill rewards bad behavior.

Fact: H.R. 1106 requires homeowners to negotiate with their lenders in good faith before they can even consider applying for a judicial modification of their home loan through bankruptcy. And the bill prevents judges from modifying loans for homeowners who have the ability to make their payments or make other bad faith efforts to game the system. The specious argument that the bill rewards bad behavior is being promoted by the banks, who themselves are rewarded for their bad behavior by the previous Administration. After receiving hundreds of billions of dollars in taxpayer bailouts, the banks should be the last to complain. This bill is designed to help families who have worked hard and played by the rules, but are trapped by declining property values and escalating job losses.

Myth: The bill enables homeowners to avoid their financial responsibilities.

Fact: H.R. 1106 allows judges to modify a mortgage only in those cases where it is truly not affordable for the homeowner and even then judges can only reduce the mortgage to the fair market value of the property. Lenders are able to recoup the fair market value of the house, plus interest, which is much better than they usually secure in a foreclosure sale.

Myth: The bill is a dramatic change in the bankruptcy code.

Fact: H.R. 1106 equalizes bankruptcy rules by treating residential bankruptcies the same as corporate, farm, and vacation home bankruptcies. H.R. 1106 will give struggling families or individuals the same right to modify the loans on their primary homes as wealthy investors have to modify the loans on their second or third properties.

Myth: The bill will dramatically increase bankruptcies.

Fact: Bankruptcy proceedings are unpleasant and scar one's credit record for years. No one looks forward to bankruptcy. And this bill provides stringent conditions, with a series of interim steps and requirements, so bankruptcy